

# Denali Commission

OFFICE OF INSPECTOR GENERAL  
SEMIANNUAL REPORT TO CONGRESS



October 1, 2021-March 31, 2022

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## Online Report Availability

The Office of the Inspector General (OIG) audits, evaluations, inspections, special review reports, and ongoing work are available at <https://www.denali.gov/office-of-inspector-general/>, as well as at [www.oversight.gov](http://www.oversight.gov).

Information about the federal Inspector General community is available through the Inspectors General Network at [www.ignet.gov](http://www.ignet.gov).

Public reports from all federal Inspectors General who are members of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) are available at [www.oversight.gov](http://www.oversight.gov).



## FROM THE INSPECTOR GENERAL

I am pleased to present the Denali Commission Office of Inspector General's (OIG's) *Semiannual Report to Congress* for the period of October 1, 2021, through March 31, 2022. This report describes the work of the OIG during the reporting period and reflects our responsibility to report independently to Congress and the Commission. The work that is described illustrates the OIG's efforts to promote the efficiency and effectiveness of the Denali Commission and demonstrate the impact that the OIG's work has had on the Commission's programs and operations.

Over two years has passed since the Denali Commission, like all other federal agencies and private businesses, had to adjust operations and look to technology to continue to carry out its mission of providing critical utilities, infrastructure, energy, and economic support throughout Alaska. In a time of "social distancing," the Commission has still worked to increase inter-agency cooperation and support to serve Alaska's remote communities, particularly those determined to be distressed communities.

The work conducted by the OIG during this semi-annual period focused upon ensuring that no operational or internal control issues exist that would impede the Commission in the delivery of its mission. Fostering trust and confidence in the operations of the Commission strengthens the Commission's ability to enter into partnership opportunities with federal, state, and local governments and corporations, non-profit organizations, and the Alaskan Federation of Natives and the 158 federally recognized tribes, 141 village corporations, 10 regional corporations, and 12 regional nonprofit and tribal consortiums that contract and compact to run federal and state programs that it represents. By providing oversight to and transparency of Commission activities, the OIG supports this mission.

During this period, we issued audit reports and an evaluation on the Commission's compliance with various financial monitoring and reporting obligations. During this reporting period the Commission also received funding under the Bipartisan Infrastructure Law (BIL) for broadband connectivity, workforce development to enhance the skills of rural Alaskan community members, village infrastructure protection, and other economic development services in rural communities to address infrastructure needs. I look forward to continuing to work with Commission management to provide oversight as it addresses the challenges identified in the BIL, as well as the ongoing challenges it faces in its unique and important mission of providing job training and other economic development services in rural communities with a specific focus on promoting rural development, and providing power generation, transition facilities, modern communication systems, water and sewer systems and other infrastructure needs in rural Alaska. I appreciate the significant support that I continue to receive from the Commissioners and staff, as well as Congress. I look forward to continuing to work closely with all the Commission's stakeholders to accomplish this mission.



**RODERICK H. FILLINGER**  
Inspector General

## **EXECUTIVE SUMMARY**

This Semiannual Report, submitted pursuant to Section 5 of the Inspector General Act of 1978, as amended, summarizes the major activities and accomplishments of the Denali Commission Office of Inspector General (OIG) for the period October 1, 2021, through March 31, 2022.

### ***Audits and Reviews Highlights***

During this reporting period, the OIG issued Top Management and Performance Challenges Facing the Commission in Fiscal Year (FY) 2022 and performed six audits and reviews including: (1) Audit of the Commission's Fiscal Year 2021 Financial Statements; (2) Audit of the Commission's FY 2021 compliance with FISMA.; (3) Audit of the Commission's Purchase Card Program and Risk Assessment; (4) Evaluation of the Commission's Compliance with IPERA; (5) Audit of the Commission's compliance with the DATA Act for the second quarter fiscal year 2021 submission; and (6) Audit of the Commission's implementation of privacy and data protection policies.

On November 10, 2021, the OIG issued a letter on the top management and performance challenges facing the Denali Commission in FY 2022. The OIG identified four challenges: Continued improvement in information systems and cybersecurity; Continued implementation of the strategic plan to fulfill the Commission's statutory purpose with significant Increases in funding; Continued improvement in controls and compliance with records management and privacy data protection; Human capital challenges, including the addition of critical staff and management through the return to the workplace plans and implementation of new policies as a result of the COVID-19 pandemic.

SB & Company, LLC (SBC), under contract with the OIG, completed an audit of the Commission's FY 2021 financial statements in accordance with applicable standards. SBC issued an unmodified opinion on the financial statements. SBC also performed an Audit of the Commission's FY 2021 compliance with FISMA.; Audit of the Commission's Purchase Card Program and Risk Assessment; Evaluation of the Commission's Compliance with IPERA; Audit of the Commission's compliance with the DATA Act for the second quarter fiscal year 2021 submission; and Audit of the Commission's implementation of privacy and data protection policies.

On February 3, 2022, the Commodity Futures Trading Commission Office of Inspector General (CFTC OIG) completed a modified peer review of the OIG. In its report, the CFTC OIG concluded that the OIG monitored the independent public accountants work that was planned in accordance with Generally Accepted Government Auditing Standards. The CFTC OIG issued one comment to the OIG which did not alter the CFTC OIG conclusion.

### ***Looking Ahead***

The OIG plans to complete the following audits and reviews during the second half of FY 2022:

1. Audit of the Commission's FY 2022 financial statements;
2. Audit of the Commission's FY 2022 compliance with FISMA;
3. Audit of Purchase Card Program and Risk Assessment;

4. Review of Commission's compliance with section 522 of the Consolidated Appropriations Act, 2005, as amended, for privacy and data protection procedures and policies;
5. Audit of the Commission's compliance with the DATA Act for fiscal year 2022; and,
6. Review of FY2021 improper payment reporting.

## **DENALI COMMISSION OVERVIEW**

The Denali Commission was formed when U.S. Senator Ted Stevens drafted the Denali Commission Act of 1998, signed into law by President Bill Clinton in October 1998. The Commission was established as an independent federal agency focusing on the development of basic infrastructure, economic development, and workforce training needs for rural Alaska in collaboration with federal, state, local, tribal, and private partners.

There are more than 200 remote Alaska communities not connected by a road network that are often served by individual diesel-powered electrical systems and some may not have access to community water and sewer systems, or basic community infrastructure as compared to many of their peers in rural "Lower 48" states.

The vision for the Commission is to operate efficiently and effectively while continuing to adapt the agency's working model to lead the way in the innovative delivery of essential programs and services. This is evident by the footprint of the Commission investments across Alaska, including primary care health services, critical energy infrastructure, road and waterfront transportation improvements, workforce training, and new initiatives like the Village Infrastructure Protection and broadband programs, which focus on the built environment in rural Alaska communities threatened by erosion, flooding, and permafrost degradation.

The Denali Commission Act of 1998 established that the Commission is composed of seven members appointed by the Secretary of Commerce to create and approve the annual Work Plan for the Denali Commission. The Act designates Commissioners represent the State of Alaska, the University of Alaska, Alaska Municipal League, Alaska Federation of Natives, AFL-CIO Alaska, Associated General Contractors, and the Federal Co-Chair of the Denali Commission.

The Commission is committed to a public and transparent process in both the development and execution of programs, projects, and activities. It is led by a Federal Co-Chair and a guiding body of six Commissioners, including the Governor of Alaska who has delegated to the current Deputy Chief of Staff to serve as the State Co-Chair.

In September 2015, President Obama tasked the Commission as the lead federal agency for building climate resilience in Alaska. The assignment envisioned that the agency would play a lead coordinator role for the federal, state, tribal, local government regional and non-profit partners to assist communities in developing short- and long-term solutions to address the impacts of erosion, flooding, and permafrost degradation.

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## **OVERSIGHT AREAS**

### **Energy Reliability and Security/Bulk Fuel Safety and Security**

Recognizing the critical role energy plays in the quality of life and economic development of Alaska's rural communities; the Denali Commission has made energy and bulk fuel its primary infrastructure theme since it was created in 1998. The types of projects currently being funded include the design and construction of replacement bulk fuel storage facilities, upgrades to community power generation and distribution systems (including interties), and energy efficiency related initiatives. The Commission primarily works with the Alaska Energy Authority (AEA), Alaska Village Electric Cooperative (AVEC), and Alaska Native Tribal Health Consortium to prioritize projects based on need. Other key partners include the US Department of Energy – Office of Indian Energy, US Department of Agriculture – Rural Utilities Service, State of Alaska Department of Commerce, Community and Economic Development, and Rural Alaska Fuel Services.

### **Village Infrastructure Protection**

The goal of the VIP Program is to mitigate the impact of erosion, permafrost thaw, and flooding threats with respect to safety, health, and the protection of infrastructure. In fiscal years 2016 through 2020 the agency invested a total of just under \$40 million of its discretionary program funds for VIP related initiatives; primarily in support of the four most vulnerable communities identified in GAO Report 09-551 (Newtok, Kivalina, Shaktoolik, and Shishmaref). Program development funding has also been allocated to statewide initiatives such as establishing the technical-assistance Center for Environmentally Threatened Communities (CETC), conducting a coastal infrastructure erosion vulnerability assessment, hazard mitigation plans (HMPs), project designs stemming from HMPs, emergency drills & exercises, and publishing a Catalog of Federal Programs. The Commission has worked directly with 18 communities on VIP efforts - and 13 other communities assisted through Dept of Homeland Security and Emergency Management (DHS&EM/DMVA) for Hazard Mitigation and Small Community Emergency Response Planning, seven more through YKHC for health clinic permafrost-affected foundation repair, and other statewide mapping, reporting, and prototype efforts.

### **Transportation**

The Transportation Program aids rural Alaskan communities in developing or improving transportation infrastructure. The roads portion of the program targets basic roads and trail projects, drainage, bridge, and safety development and improvements. The waterfront portion of the program addresses port, harbor, barge landings and other rural waterfront needs. The Commission's Transportation Advisory Committee (TAC) is the body that advises the Federal Co-Chair on transportation needs in rural Alaska and evaluates project applications.

### **Sanitation**

The Indian Health Service, Environmental Protection Agency, and State of Alaska Department of Environmental Conservation have historically been the lead agencies for the design and construction of sanitation facilities in rural Alaska. However, over the years the Commission has contributed approximately \$34 million for various projects, primarily village washeterias.

## **Health Facilities**

The Health Facilities program funds the design, construction, and improvements of primary care clinics throughout rural Alaska and has supported other new hospital projects in Nome and Barrow, behavioral health facilities, and rural Emergency Medical Services.

## **Housing**

The Housing program funds the design and construction of senior housing, long-term care facilities, teacher housing, domestic violence shelters, and adolescent residential treatment facilities.

## **Broadband**

The Broadband program intends to implement, expand, and extend infrastructure to reduce the cost of connecting unserved and underserved areas in Alaska, as well as coordinate efforts on strategy, plans, and asset mapping for increasing eligibility of the state.

## **Workforce and Economic Development**

The Workforce and Economic Development program supports construction training with the intent to increase local hire on capital projects being funded by the Commission and others, leading to improved economic conditions in rural villages. Developing administrative and technical capabilities in rural communities increases long term employment opportunities, and such training extends the useful life of infrastructure constructed in rural Alaska. This program also focuses on projects and initiatives that support overall economic conditions in rural communities.

The Commission works with various program partners that include other federal agencies, the state of Alaska, Alaskan Native groups, and several non-profit organizations throughout the state of Alaska.

The Commission's approved FY 2022 work plan includes funding for each of these programmatic areas.

## **Organization**

The Commission is organized into three direct components and a fourth program: Programs, General Counsel, and Financial Operations. The fourth, Grant Solutions, is based on agreements entered into under Programs and Financial Operations with other federal agencies.



## OFFICE OF THE INSPECTOR GENERAL

The Office of Inspector General (OIG) is an independent office established under the provisions of the Inspector General Act of 1978, as amended (hereafter referred to as the IG Act). The IG Act, as amended by the Inspector General Empowerment Act of 2016, safeguards OIG access to agency information and mandates additional reporting to increase transparent in government operations.

The IG Act gives the Inspector General the authority and responsibility to:

1. Conduct and supervise audits and investigations of the Commission's programs and operations
2. Provide leadership, coordination, and recommend policies for activities designed to promote economy, efficiency, and effectiveness in the administration of the Commission's programs and operations; and prevent and detect fraud, waste, and abuse of the Commission's programs and operations; and
3. Keep the Federal Co-Chair, Commissioners, and Congress fully and currently informed about problems and deficiencies, as well as the necessity for corrective actions.

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## Office of Inspector General Activities

During the semiannual period, the OIG completed five audits and one evaluation.

### COMPLETED WORKS

#### Top Management and Performance Challenges Facing the Denali Commission in FY 2022

On November 10, 2021, the OIG issued their report on the top management and performance challenges facing the Commission in FY 2022. The OIG identified four challenges: *(1) Continued improvement in information systems and cybersecurity; (2) Continued implementation of the strategic plan to fulfill the Commission's statutory purpose with significant increases in funding; (3) Continued improvement in controls and compliance with records management and privacy data protection; and, (4) Human capital challenges, including the addition of critical staff and management through the return to the workplace plans and implementation of new policies as a result of the COVID-19 pandemic.*

**Information Systems and Cybersecurity.** The Commission continues to adapt its network to meet changing security needs while also providing the necessary technological resources and tools to its staff and stakeholders to conduct its mission in a remote working environment. As evidenced in the progress in moving from a maturity level of “ad hoc” in its Federal Information Security Management Act (FISMA) to an overall maturity level of “defined” in the fiscal year 2021 audit in one year, the Commission is aggressively addressing this challenge. FISMA 2002, part of the E-Government Act (Public Law 107-347) was passed in December 2002. FISMA 2002 requires each federal agency to develop, document, and implement an agency-wide program to provide information security for the information and systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other sources.

The Federal Information Security Modernization Act of 2014 amends FISMA 2002, by providing several modifications that modernize federal security practices to address evolving security concerns. These changes result in less overall reporting, strengthens the use of continuous monitoring in systems, and increases focus on the agencies for compliance and reporting that is more focused on the issues caused by security incidents. FISMA 2014 also required the Office of Management and Budget (OMB) to amend/revise OMB Circular A-130 to eliminate inefficient and wasteful reporting and reflect changes in law and advances in technology.

The challenges that continue to confront the Commission arise from the difficulties in applying the requirements of FISMA to a micro-agency like the Commission. Both in terms of human capital and technological resources, implementation of all the necessary security measures and programs to achieve a maturity level of “five” – “Optimized,” exceeds the resources currently available to the Commission. Complicating this challenge has been the 5% cap on administrative expenses in the Denali Commission Act of 1998. This limitation contributes to the difficulty in finding the resources to pursue the upgrades needed. Many laws have been passed that required a great deal of resources to meet the requirements in those laws, but the Commission has not been provided the needed funding; instead, the Commission saw multiple years of funding decreases. The Commission continues to face the challenge of obtaining adequate resources for cybersecurity expenses.

This scarcity is not limited to Commission resources. It also arises from the lack of technological and communication infrastructure available geographically within Alaska. The Commission has, however, defined the necessary information security and systems needed to continue improving while managing the risks inherent in its systems. The challenge confronted is managing risk at an acceptable level and identifying the available systems and available technology to improve cybersecurity and information systems without any diminution to the Commission's ability to fulfill its mission.

***Continued Implementation of Strategic Plan to Fulfill the Commission's Statutory Purpose with Significant Increases in Funding.*** In 1998, the Denali Commission Act established the Commission as a federal agency with the statutory purpose of providing to rural areas of Alaska job training and economic development services, rural power generation and transmission facilities, modern communications systems, water and sewer systems, and other infrastructure needs. The Commission has awarded more than \$2 billion in federal grants to help develop remote communities, funding more than 1,400 projects across various programs, including energy, transportation, and health care. Between FYs 2004 and 2008, on average the Commission received nearly \$130 million in total funding per fiscal year. Since then, the Commission experienced a significant decrease in funding in recent fiscal years, from receiving about \$141 million in FY 2006 to about \$25 million in FY 2019, a decrease of approximately 82 percent. This reduced level of funding has been reversed in the recently passed infrastructure bill providing for a one-time appropriation of \$75 million and authorizing an annual appropriation of \$20 million for the transportation program, under Sec. 309 of the Denali Commission Act. If this authorization is funded at the \$20 million authorized, combined with the \$15 million "base" funding, under section 312 of the Act, this funding plus transfers under TAPL would approximately double what the Commission's annual appropriation has been in recent years. Combined with the \$75 million appropriation this is a significant increase in the Commission's funding.

With both the increase in funding and the expanded scope of potential grant-funded endeavors, the Commission faces the challenge of determining the most strategic, cost-effective, and impactful manner to carry out its mission. The Commissioners are considering alternative approaches. The challenge will be to identify the presence of current risks, as well as the possibility of new risks moving forward. The challenge is also presented to have adequate human capital capacity to effectively manage the program. Measuring the extent to which the Commission has sufficient staff, knowledge, and technical skills to effectively meet its program goals must be part of any programmatic implementation. A lack of training and skill could adversely limit appropriate grant oversight.

Additionally, the Commission should be aware of risks, emerging issues, or new challenges that this growth creates for state partners and grantees that could negatively impact program performance. The Commission should have a framework to continually assess, identify and monitor risk in the performance of its grant management activities to ensure that grantees have, and maintain, the necessary capacity to effectively administer larger or more numerous awards to achieve program goals.

***Compliance with Records Management and Privacy Act Controls.*** Federal agencies are required by law (the Federal Records Act of 1950, as amended and codified in Title 44 of the United States Code) to adequately document their missions, functions, policies, procedures, decisions, and transactions. They are required to preserve historically valuable records, and it is a crime to destroy records without approval from the National Archives.

In 2011, Presidential Memorandum, Managing Government Records, requires federal agencies to manage both permanent and temporary email records in an electronic format by the end of 2016. By the end of 2019, agencies were directed by the Office of Management and Budget (OMB) and U.S. National Archives and Records Administration (NARA) jointly issued Memorandum M-12-18, Managing Government Records Directive, to manage all permanent records in an electronic format.

NARA is set to stop accepting paper-based records at the end of 2022, and OMB has issued M-19-21, Transition to Electronic Records to help agencies meet this deadline. OMB is directing agencies, to “ensure that all federal records are created, retained, and managed in electronic formats, with appropriate metadata,” and develop plans to close agency operated storage facilities for paper and other, analog records, and transfer those records to Federal Records Centers operated by NARA or commercial storage facilities.”

The OMB guidelines require that all agencies “manage all permanent electronic records in an electronic format” by December 31, 2019. By December 31, 2022, this requirement extends to all permanent records as well as temporary records,” to the fullest extent possible.” December 31, 2022, is also the deadline for agencies to close any agency operated record centers and transition all records to federal or commercial centers.

The memo states, “Beginning January 1, 2023, all other legal transfers of permanent records must be in electronic format, to the fullest extent possible, regardless of whether the records were originally created in electronic formats. After that date, agencies will be required to digitize permanent records in analog formats before transfer to NARA.”

The Commission has worked diligently towards compliance with the records management directive by continuing to implement an electronic records system as well as policies and procedures to properly handle Commission files and records. Management continues to develop and implement these policies and procedures in consultation with NARA. However, it is imperative that a complete oversight or governance process be established to include documenting agency policies, procedures and processes that address all hard copy and electronic records proper handling. The Commission needs to ensure various roles (e.g., system administrator); related authorities and capabilities are properly assigned, documented, managed, and monitored. Such written documentation should be maintained as this need will become increasingly critical as additional functionality and enhancements are added to any system developed. Further, although, certain types of records do not have legal retention requirements; the policies, processes and procedures should, clearly and specifically, instruct staff on the proper handling. Further, management should periodically verify that such policies are being followed.

With respect to Privacy Act controls, the Commission faces the challenge of implementing effective privacy and data protection policies and procedures. This may be addressed through implementing the NIST Privacy Framework to achieve effective privacy and data protection policies and procedures. We recommend that a data asset inventory be completed to identify the data assets owned by the Commission. In addition, the Commission should perform a gap assessment to the Privacy Framework and NIST 800- 53 to determine where the Privacy Policy can be enhanced. The Commission also faces the challenge of putting in place or enhancing privacy policies related to Governance and Risk management, roles and responsibilities for ensuring compliance with privacy requirements, data actions, handling of data to comply with privacy requirement and privacy training.

### ***Strategic Human Capital Management***

This challenge relates to management's stewardship of its human capital, as well as the leadership of the Federal Co-Chair. During fiscal year 2018, the Secretary of Commerce appointed an interim Federal co-chair, John Torgerson. In April of 2019, a new full-time Federal co-chair, Jason Hoke, was appointed. Mr. Hoke subsequently resigned in April of 2020. This abrupt departure was mitigated from the perspective of continuity in leadership by Mr. Torgerson's appointment in April 2020 to serve again as the interim Federal Co-Chair. Mr. Torgerson's familiarity with the Commission, its mission, and its operations brought some much-needed stability and continuity to the Commission. Your appointment as the new Federal Co-Chair and your familiarity with the Commission's mission from your involvement with legislative issues and needs facing the Commission provides a measure of continuity from the very beginning of your term as Federal Co-Chair.

With respect to the Commission's staff, a significant management challenge is maintaining a safe, well-trained, sustainable workforce while facing challenges in retirement eligibilities, succession planning and training, and diversity. The Commission relies heavily upon subject matter experts in its programmatic areas. Employees are its most valuable asset, and the safety and well-being of the workforce is brought to the forefront during times like the current COVID-19 pandemic. Because of the heavy reliance on these subject matter experts, the Commission's success depends greatly on its ability to recruit, retain, and develop a capable workforce, including the ability to effectively have knowledge transfer upon the departure of a key individual. Because it is a very small agency, changes in the workforce—such as the retirement or departure of key management and senior employees—must be accounted and planned for to avoid undue disruption to Commission functions. Planning ensures that institutional knowledge and experience are passed on, and the reliance upon subject matter experts remains a strength, rather than a liability for the Commission. Workforce training and development takes a significant investment of resources, but ensures that the Commission maintains a vital, experienced staff. This is a challenge in a unique way for a Commission as small as the Denali Commission because of the need to rely upon single individuals for several areas of expertise and mission delivery.

In addition to the ongoing challenge of workforce development and retention, the Commission must continually assess and deploy strategies to reach its goals for diversity and inclusion. It can do this by using various tools that identify and reduce potential barriers to diversity and inclusion, enhance outreach, evaluate the Commission's recruitment data to use when vacancies do arise, and heighten awareness through programs that support diversity and inclusion.

### **Audit of the Denali Commission's Fiscal Year (FY) 2021 Financial Statements**

SBC completed an audit of the Commission's FY 2021 financial statements in accordance with the Government Accountability Office's Government Auditing Standards and Office of Management and Budget (OMB) Bulletin 17-03, *Audit Requirements for Federal Financial Statements*. SBC issued an unmodified opinion on the financial statements.



### **Audit of the Denali Commission's FY 2021 Compliance with FISMA**

SBC completed an audit of the Commission's FY 2021 compliance with the Federal Information Security Modernization Act (FISMA) in accordance with OMB Memorandum 18-02, *Fiscal Year 2018-2019 Guidance on Federal Information Security and Privacy Management Requirements*.

### **Audit and Risk assessment of the Denali Commission's Charge Card Program**

SBC completed an audit and risk assessment of the Commission's charge card program in accordance with the *Government Charge Card Abuse and Prevention Act of 2012* noting no issues.

### **Review of the Denali Commission's Compliance with FY 2020 Improper Payments Requirements**

SBC performed a review of the Commission's compliance with FY2020 improper payments requirements in accordance with the requirements of the Improper Payments Information Act of 2002 as amended by the Improper Payments Elimination and Recovery Act of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012 and the Office of Management and Budget Circular A-123, Appendix C, "Requirements for Effective Estimation and Remediation of Improper Payments," as amended noting no issues.

### **Audit of the Commission's compliance with the DATA Act**

SBC completed an audit of the Commissions' data submission for compliance with the DATA Act. The objective is to gain an understanding of the processes, systems and controls which Commission's has implemented or plans to implement to report financial and payment data in accordance with the requirements of the DATA Act.

### **Audit of the Commission's implementation of privacy and data protection policies**

SBC completed an audit of the Commission's implementation of privacy and data protection policies. The objective of the audit was to assess the Commission's implementation of its privacy program in accordance with federal law, regulation, and policy. Specifically, the audit was to determine whether the Commission implemented comprehensive privacy and data protection policies and procedures governing the Commission's collection, use, sharing, disclosure, transfer, storage and security of information in an identifiable form relating to Commission employees and the public.

## **ONGOING/PLANNED AUDITS AND MANAGEMENT REVIEWS**

### **Audit of the Denali Commission's Fiscal Year (FY) 2022 Financial Statements**

SBC is currently performing an audit of the Commission's FY 2022 financial statements in accordance with the Government Accountability Office's Government Auditing Standards and Office of Management and Budget (OMB) Bulletin 17-03, *Audit Requirements for Federal Financial Statements*.

### **Audit of the Denali Commission's FY 2022 Compliance with FISMA**

SBC is currently performing an audit of the Commission's FY 2022 compliance with the Federal Information Security Modernization Act (FISMA) in accordance with OMB Memorandum 18-02, *Fiscal Year 2018-2019 Guidance on Federal Information Security and Privacy Management Requirements*.

### **Audit and Risk Assessment of the Denali Commission's Charge Card Program**

SBC is currently performing the audit and risk assessment of the Commission's charge card program in accordance with the *Government Charge Card Abuse and Prevention Act of 2012*.

### **Review of Commission's compliance with section 522 of the Consolidated Appropriations Act, 2005, as amended, for privacy and data protection procedures and policies**

SBC is currently performing the review of the Commission's privacy and data protection policies and procedures in accordance with Consolidated Appropriations Act of 2005, Division H, Section 522, as amended; Section 208 of the 2002 E-Government Act; Privacy Act of 1974; and OMB memorandums.

### **Audit of the Commission's compliance with the DATA Act**

SBC is currently performing an audit of the Commission's data submission for compliance with the DATA Act. The objective is to gain an understanding of the processes, systems, and controls which Commission's has implemented or plans to implement to report financial and payment data in accordance with the requirements of the DATA Act. The IPA shall use the Audit Plan prepared for the IG community to execute the IG reviews required by the DATA Act.

### **Review of the Denali Commission's Compliance with FY 2021 Improper Payments Requirements**

SBC is currently performing the review of the Commission's compliance with FY2021 improper payments requirements in accordance with the requirements of the Improper Payments Information Act of 2002 as amended by the Improper Payments Elimination and Recovery Act of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012 and the Office of Management and Budget Circular A-123, Appendix C, "Requirements for Effective Estimation and Remediation of Improper Payments," as amended.

### **Audit of the Commission's implementation of privacy and data protection policies**

SBC is currently performing an audit of the Commission's implementation of privacy and data protection policies. The objective of the audit was to assess the Commission's implementation of its privacy program in accordance with federal law, regulation, and policy. Specifically, the audit was to determine whether the Commission implemented comprehensive privacy and data protection policies and procedures governing the Commission's collection, use, sharing, disclosure, transfer, storage and security of information in an identifiable form relating to Commission employees and the public.

## **ADMINISTRATIVE REVIEWS**

No administrative reviews were performed during this reporting period.

## **INVESTIGATIONS**

The Commission OIG receives and investigates allegations of fraud, waste, abuse and misconduct within Commission programs and operations. The Commission OIG investigations can give rise to administrative, civil, and criminal penalties. Based on investigations conducted, the Commission OIG issues reports that set forth the allegations and an objective description of the facts to Commission management regarding administrative and civil matters. Investigations which uncover potential criminal activity are referred to the Department of Justice. As of the end of the semiannual reporting period, the OIG has one open investigation.

### **OIG Hotline**

To facilitate reporting of allegations, the Commission OIG maintains a hotline (see “Contacting the Office of Inspector General”). Callers who have general questions or concerns that do not fall within the OIG’s jurisdiction are referred to other entities, such as other Commission offices, federal agencies, federal offices of inspectors general, and local or state governments.

During the semiannual reporting period, we received ten hotline inquiries.

## **REPORT ON INSTANCES OF WHISTLEBLOWER RETALIATION**

For this semiannual reporting period, the OIG found no instances of whistleblower retaliation to report.

### **Liaison Activities**

The IG is a member of the CIGIE, which was established on October 14, 2008, pursuant to the Inspector General Reform Act of 2008. The IG also serves on the Audit, Investigations and Professional Development Committees of CIGIE, as well as the Infrastructure Working Group formed to oversee implementation of the Bipartisan Infrastructure Bill. The IG attended regular meetings of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) and served as an adjunct instructor for the CIGIE Training Institute’s Audit, Inspection & Evaluation Academy.

## Reporting Requirements of the Inspector General Act of 1978, as Amended

The reporting requirements of the Inspector General Act of 1978, as amended, are listed in the following table along with the location of the required information. The work “None” appears where this is no data to report under a particular requirement.

Reference	Reporting Requirements	Page
<b>Section 4(a)(2)</b>	Review of legislation and regulations	21
<b>Section 5(a)(1)</b>	Significant problems, abuses, and deficiencies relating to the administration of programs and operations	None
<b>Section 5(a)(2)</b>	Recommendations with respect to significant problems, abuses, or deficiencies	None
<b>Section 5(a)(3)</b>	Significant recommendations included in previous reports on which corrective action has not been taken (Table 1)	18
<b>Section 5(a)(4)</b>	Matters referred to prosecutive authorities	None
<b>Section 5(a)(5)</b>	Summary of instances where information was refused	None
<b>Section 5(a)(6)</b>	Listing of reports by subject matter (Table 2)	18
<b>Section 5(a)(7)</b>	Summary of significant reports	9
<b>Section 5(a)(8)</b>	Statistical table – Reports with questioned costs (Table 3)	19
<b>Section 5(a)(9)</b>	Statistical table – Recommendations that funds be put to better use (Table 4)	19
<b>Section 5(a)(10)</b>	Summary of each audit, inspection, and evaluation report issued before this reporting period for which no management decision was made by end of the reporting period, no establishment comment was returned within 60 days; or for those with any outstanding unimplemented recommendations, including the potential aggregate cost savings (Table 5)	20
<b>Section 5(a)(11)</b>	Description and explanation of significant revised management decisions	None
<b>Section 5(a)(12)</b>	Significant management decisions with which the Inspector General disagrees	None
<b>Section 5(a)(13)</b>	Information under section 804(b) of the Federal Financial Management Improvement Act of 1996	None
<b>Section 5(a)(14)(15)(16)</b>	Peer review activity on OIG and Peer review activity by OIG on another OIG	26
<b>Section 5(a)(17)</b>	Statistical Table – Investigative Reports / Summary of Investigative Activity for the Reporting Period of April 1, 2021, to September 30, 2021 (Table 6)	20
<b>Section 5(a)(18)</b>	Description of metrics used for developing the data for the statistical table under Section 5(a)(17)	None
<b>Section 5(a)(19)</b>	Report on each investigation involving a senior Government employee where allegations of misconduct were substantiated	None
<b>Section 5(a)(20)</b>	Description of whistleblower retaliation	None
<b>Section 5(a)(21)</b>	Description of any attempt by establishment to interfere with the independence including budget constraints, resisted to or objected to oversight, delayed access to information	None
<b>Section 5(a)(22)</b>	Description of particular circumstances of each inspection, evaluation, and audit conducted that is closed and was not disclosed to the public; and investigation conducted by the Office involving a senior Government employee that is closed and was not disclosed to the public	27

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## First Half of FY 2021 Freedom of Information Act Requests

<b>Activity</b>	<b>Total</b>
<b>Number of Freedom of Information Act (FOIA) Requests Received</b>	0
<b>Number of FOIA Requests Processed</b>	0
<b>Number Granted</b>	
<b>Number Partially Granted</b>	
<b>Number Not Granted</b>	
<b>Reasons for Denial</b>	
<b>No Records Available</b>	
<b>Referred to Other Agencies</b>	
<b>Requests Denied in Full Exemption 3</b>	
<b>Requests Denied in Full Exemption 5</b>	
<b>Requests Denied in Full Exemption 7(A)</b>	
<b>Requests Denied in Full Exemption 7(C)</b>	
<b>Request Withdrawn</b>	
<b>Not a Proper FOIA Request</b>	
<b>Not an Agency Record</b>	
<b>Duplicate Request</b>	
<b>Other</b>	
<b>Requests for OIG Reports from Congress and Other Government Agencies</b>	
<b>Received</b>	
<b>Processed</b>	
<b>Number of OIG Reports/Documents Released i Response to Requests</b>	



## Statistical Highlights for this Period

**Table 1. Reports from Previous Periods with Unimplemented Recommendations**

Report Title	Unimplemented Recommendations
None	None

**Table 2. Listing of Reports Issued**

Report Number	Subject Matter	Issue Date	Report Title	Questioned Cost	Unsupported Cost	Funds Put to Better Use
2021.11.10	Top Management Challenges	11/10/21	Top Management and Performance Challenges for Fiscal Year 2022	\$0	\$0	\$0
Agency Financial Report	Audit	11/10/21	FY 2021 Financial Statements Audit	\$0	\$0	\$0
*	Audit	12/22/21	Audit on the Commission's Compliance with FISMA	\$0	\$0	\$0
2021.12.1	Audit	12/1/21	Audit and Risk Assessment of the Denali Commission's Charge Card Program	\$0	\$0	\$0
2021.11.29	Evaluation	11/29/21	Review of the Denali Commission's Compliance with FY 2020 Improper Payments Requirements	\$0	\$0	\$0
2021.11	Audit	11/8/21	Review of the Denali Commission Compliance with the DATA ACT Second Quarter Fiscal Year 2021	\$0	\$0	\$0
2021.10	Audit	10/25/21	Report of Findings and Recommendations for the Review of the Denali Commission's Privacy Program	\$0	\$0	\$0

\*-not publicly available

**Table 3. Reports with Questioned Costs**

<b>Description</b>	<b>Number of Reports</b>	<b>Questioned Costs</b>	<b>Unsupported Costs</b>
<b>A. For which no management decision has been made by the commencement of the reporting period.</b>	0	\$0	\$0
<b>B. Which were issued during the reporting period.</b>	0	\$0	\$0
<b>Subtotals (A + B)</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>
<b>C. For which a management decision was made during the reporting period.</b>	0	\$0	\$0
<b>i. Dollar value of disallowed costs; and</b>	0	\$0	\$0
<b>ii. Dollar value of costs not disallowed.</b>	0	\$0	\$0
<b>D. For which no management decision was made by the end of the reporting period.</b>	0	\$0	\$0

**Table 4. Recommendations That Funds Be Put to Better Use**

<b>Description</b>	<b>Number of Reports</b>	<b>Unsupported Cost</b>
<b>A. For which no management decision has been made by the commencement of the reporting period.</b>	0	\$0
<b>B. Which were issued during the reporting period.</b>	0	\$0
<b>Subtotals (A + B)</b>	<b>0</b>	<b>\$0</b>
<b>C. For which a management decision was made during the reporting period.</b>	0	\$0
<b>i. Dollar value of recommendations that were agreed to by management; and</b>	0	\$0
<b>ii. Dollar value of recommendations that were not agreed to by management.</b>	0	\$0
<b>D. For which no management decision has been made by the end of the reporting period.</b>	0	\$0

**Table 5. Summary of Reports for Which No Establishment Comment Was Returned within 60 Days of Providing the Report**

<b>Fiscal Year</b>	<b>Number of Reports with Unimplemented Recommendations</b>	<b>Number of Unimplemented Recommendations</b>	<b>Dollar Value of Aggregate Potential Cost Savings</b>
<b>0</b>	0	0	\$0

**Table 6. Listing of Investigative Reports/ Summary of Investigative Activity for the Reporting Period of October 1, 2021, to March 31, 2022**

The data contained in this table was compiled from the OIG’s investigations records.

<b>Investigative Caseload</b>	<b>Number</b>
Cases Open at Beginning of Period	2
Cases Completed but Not Closed* at Beginning of Period	0
Cases Opened During Period	0
Cases Closed During Period	1
Cases Completed but Not Closed at End of Period	0
Open Cases at End of Period	1
Investigative Reports Issued During the Reporting Period	0

\* A case is “completed” but not “closed” when the investigative work has been performed but disposition (such as corrective administrative action) is pending.

<b>Criminal and Civil Investigative Activities</b>	<b>Number</b>
Referrals for Criminal Prosecution to DOJ	1
Accepted	0
Indictments/Information	0
Arrests	0
Convictions	0
Referrals for Criminal Prosecution to State and Local Prosecuting Authorities	0
Referrals for Civil Prosecution to DOJ	0
Accepted	0
Referrals for Civil Prosecution to State and Local Prosecuting Authorities	0

The following section includes information that is required under the Inspector General Act that is not otherwise addressed in this report, along with supplemental information on select reporting topics.

#### **Section 4(a)(2): Review of Legislation and Regulations**

This section requires the Inspector General of each agency to review existing and proposed legislation and regulations relating to that agency's programs and operations. Based on this review, the Inspector General is required to make recommendations in the semiannual report concerning the impact of such legislation or regulations on (1) the economy and efficiency of the management of programs and operations administered or financed by the agency or (2) the prevention and detection of fraud and abuse in those programs and operations. This review includes legislation that could affect the Denali Commission, or oversight by the office of inspector general. The following legislation was monitored and reviewed during this semiannual reporting period:

##### **H.R. 2988 Whistleblower Protection Improvement Act of 2021**

Introduced by Representative Maloney, the House Committee on Oversight and Reform voted the bill out of committee. The bill would add investigations to the definition of "personnel action" for purposes of prohibited personnel practices with a carve out for OIG investigations. The bill also would allow the Office of Special Counsel (OSC) to "refer" matters under 5 USC 1213(c) involving all OIG employees to the CIGIE Integrity committee.

The OIG is continuing to review and monitor this legislation.

##### **S. 3011 State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act**

Introduced by Senator Cornyn, the Senate passed this bill on October 19, 2021, and is currently held at the desk in the House of Representatives. This bill allows states, tribes, territories, and localities to use certain COVID-19 relief funds for new categories of spending, including for natural disasters and infrastructure projects. It also makes changes to expenditure deadlines and other aspects of this funding.

Specifically, recipients may use funds for emergency relief from natural disasters and associated negative economic impacts of natural disasters. In addition, recipients may use a portion of their COVID-19 relief funds for designated infrastructure projects, such as nationally significant freight and highway projects. Furthermore, the bill allows recipients to expend COVID-19 relief funds on these types of infrastructure projects until September 30, 2026. Under current law, recipients must expend the funds by December 31, 2024.

Other changes in the bill include (1) modifying eligibility and allocation requirements for funding set aside for counties and Indian tribes that are near public lands, (2) allowing Indian tribes an additional year to expend their COVID-19 relief funds, and (3) establishing a process for government entities to decline COVID-19 relief funds and requiring any declined funds to be used to reduce the federal deficit.

The OIG is continuing to review and monitor this legislation

### **H.R. 3764 Ocean-Based Climate Solutions Act of 2021**

Introduced by Representative Grijalva, this bill is currently in committee. This bill establishes a variety of requirements to reduce carbon emissions and protect oceans, coastal habitats, marine mammals, and fish populations from climate change and other threats. It also would require the Chairman of the Council on Environmental Quality to establish a Strategic Climate Change Relocation Initiative who would be required to coordinate and consult with federal agencies, including the Denali Commission.

The OIG is continuing to review and monitor this legislation

### **S. 3600 Strengthening American Cybersecurity Act of 2022**

Sponsored by Senator Peters, this bill passed the Senate on March 1, 2022, and is currently held at the desk at the House of Representatives.

This bill addresses cybersecurity threats against critical infrastructure and the federal government. The Cybersecurity and Infrastructure Security Agency (CISA) must perform ongoing and continuous assessments of federal risk posture. An agency, within a specified time frame, must (1) determine whether notice to any individual potentially affected by a breach is appropriate based on a risk assessment; and (2) as appropriate, provide written notice to each individual potentially affected. Each agency must (1) provide information relating to a major incident to specified parties, and (2) develop specified training for individuals with access to federal information or information systems.

The bill establishes (1) an interagency council to standardize federal reporting of cybersecurity threats, (2) a task force on ransomware attacks, and (3) a pilot program to identify information systems vulnerable to such attacks. The bill provides statutory authority for the Federal Risk and Authorization Management Program (FedRAMP) within the General Services Administration (GSA). FedRAMP is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud computing products and services. The bill establishes a FedRAMP Board to examine the operations of FedRAMP and the Federal Secure Cloud Advisory Committee.

The OIG is continuing to review and monitor this legislation.

### **H.R. 6497/S. 2902 Federal Information Security Modernization Act of 2022**

Sponsored by Representative Maloney and Senator Peters, this bill is currently in committee.

This bill addresses federal information security management, notification and remediation of cybersecurity incidents, and the roles of the Office of Management and Budget (OMB) and the Cybersecurity and Infrastructure Security Agency (CISA). CISA must perform, on an ongoing and continuous basis, assessments of federal risk posture. The bill requires evaluation by each agency of whether additional cybersecurity procedures are appropriate at least once every three years.

An agency, as expeditiously as practicable and without unreasonable delay, and within 45 days after it has a reasonable basis to conclude that a breach has occurred, must (1) determine whether notice to any individual potentially affected by the breach is appropriate based on a risk assessment; and (2) as



appropriate, provide written notice to each individual potentially affected. Notification may be delayed under specified circumstances.

Each agency must provide any information relating to a major incident to CISA, the OMB, the Office of the National Cyber Director, the agency's office of inspector general, the Government Accountability Office, and Congress.

An agency's contractors and grant recipients must notify the agency of an incident involving federal information within a specified time frame.

Each agency shall develop training for individuals at the agency with access to federal information or information systems on how to identify and respond to an incident.

CISA must establish a program to provide ongoing, hypothesis-driven threat-hunting services on the network of each agency.

The bill establishes specified pilot programs to enhance federal cybersecurity.

The OIG is continuing to review and monitor this legislation.

### **S. 587 Securing Inspector General Independence Act of 2021**

Sponsored by Senator Grassley, the bill is currently in committee. This bill limits the circumstances under which the President or certain agency heads may remove an Inspector General or place an Inspector General in non-duty status. Before an Inspector General may be removed, Congress must be given a detailed account of the reasons for the removal and the Inspector General shall remain on the job for 30 days while Congress considers those reasons.

The OIG is continuing to review and monitor this legislation.

### **H.R. 2055 Transparency in Government Act of 2021**

Sponsored by Representative Quigley, this bill is currently in committee. This bill establishes and otherwise modifies several reporting, disclosure, and other requirements across all branches of government to expand public access to information. Among other requirements, the bill would require Inspectors General to annually audit the data used on the website established under Section 501 of the bill for the overseen agency and submit a report on such audit to the Director of the Office of Management and Budget that includes at least the following:

(1) A review of data used for the website to verify accuracy of the data and assess the process used for improving data quality.

(2) A review of a statistically representative sample of federal awards to determine whether the federal agency of the Inspector General has appropriate measures in place to review data submissions under this Act for accuracy and completeness.

(3) An identification of and report on new standards that the Inspector General recommends for implementation by the federal agency of the Inspector General to improve data quality.

The OIG is continuing to review and monitor this legislation.

### **H.R. 2662 IG Independence and Empowerment Act**

This bill passed the House on June 29, 2021. It addresses issues regarding inspectors general (IGs) and the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Integrity Committee. The committee is charged with investigating allegations of wrongdoing against office of IG officials.

The bill allows an IG to be removed only for cause, such as for documented malfeasance. Congress must be notified before an IG is placed on nonduty status. The bill requires the President to explain any failure to nominate an IG and adds provisions regarding acting IGs when an IG position is vacant. The Integrity Committee must notify Congress when an allegation of wrongdoing made by a Member of Congress is closed without referral for investigation.

The bill requires CIGIE to report semiannually to Congress and the President on the activities of the committee. The bill adds provisions regarding appointment of former IGs to the committee. An IG must refer to the committee any allegation of wrongdoing against that IG. The bill grants (1) IGs the authority to subpoena witnesses who are not currently government employees, and (2) the Department of Justice (DOJ) IG the authority to investigate wrongdoing by DOJ attorneys.

The bill requires notification to Congress of an IG's ongoing investigations when the IG is placed in nonduty status. IGs must notify Congress if agencies deny access to requested information. The bill also requires the establishment of minimum standards and best practices for IG training.

The Government Accountability Office shall review the effectiveness of the processes of the CIGIE committee and of the offices of IGs for ensuring IG accountability, integrity, and independence.

The OIG is continuing to review and monitor this legislation

### **Section 5(a)(1) and 5(a)(2): Significant Problems, Abuses, and Deficiencies, and Resulting Recommendations for Corrective Action**

These sections require a description of significant problems, abuses, and deficiencies relating to the administration of programs and operations disclosed during the reporting period and the resulting recommendations for corrective action. There were no significant problems, abuses, or deficiencies found during the reporting period, and no resulting recommendations for corrective action were issued.

### **Section 5(a)(3): Prior Significant Recommendations Unimplemented**

This section requires identification of each significant recommendation described in previous semiannual reports for which corrective action has not been completed. Section 5(b) requires that the Commission transmit to Congress statistical tables showing the number and value of audit reports for which no final action has been taken, as well as an explanation of why recommended action has not occurred, except when the management decision was made within the preceding year. We have no prior significant unimplemented recommendations.

### **Section 5(a)(4): Matters Referred to Prosecutorial Authorities**

This section requires a summary of matters referred to prosecutorial authorities and the resulting prosecutions and convictions. One ongoing investigation was referred to prosecutorial authorities during this reporting period but was declined for prosecution due to insufficient evidence. There is one matter previously reviewed still pending.

### **Sections 5(a)(5) and 6(c)(2): Information or Assistance Refused**

These sections require a summary of each report to the Commissioners when access, information, or assistance has been unreasonably refused or not provided. We were not refused access, information, or assistance.

### **Section 5(a)(10): Prior Audit Reports Unresolved**

This section requires: a summary of each audit report, inspection report, and evaluation report issued before commencement of the reporting period (A) for which no management decision has been made by the end of the reporting period, an explanation of why a decision has not been made, and a statement concerning the desired timetable for delivering a decision on each such report; (B) for which no establishment comment was returned within 60 days of providing the report to the establishment; and (C) for which there are any outstanding unimplemented recommendations, including the aggregate potential cost savings of those recommendations. There are no reports for which no management decision was made by the end of the reporting period or for which no establishment comment was returned within 60 days of providing the report to the establishment.

### **Section 5(a)(11): Significant Revised Management Decisions**

This section requires an explanation of the reasons for any significant revision to a management decision made during the reporting period. There were no significant revised management decisions during this period.

### **Section 5(a)(12): Significant Management Decisions with Which OIG Disagreed**

This section requires information concerning any significant management decision with which the inspector general disagrees. There were no significant management decisions with which the previous or current inspector general disagreed.

### **Section 5(a)(13): Noncompliance with Federal Financial Management Systems**

Agencies are required to implement and maintain financial management systems that comply substantially with federal financial management systems requirements, applicable federal accounting standards, and the U.S. Government Standard General Ledger at the transaction level. If an agency does not comply with federal financial systems, it is required to establish a remediation plan. This section requires the reporting of instances and reasons when an agency has not met target dates established in the remediation plan. There were no instances of noncompliance with federal financial management systems.

### **Section 5(a)(14) and 5(a)(15): Results of Peer Review Received by OIG**

These sections require an appendix containing the results of any peer review conducted by another inspector general during the reporting period and a list of outstanding recommendations.

On February 3, 2022, the Commodity Futures Trading Commission Office of Inspector General (CFTC OIG) completed a modified peer review of the OIG. In its report, the CFTC OIG concluded that the OIG monitored the independent public accountants work that was planned in accordance with Generally Accepted Government Auditing Standards. The CFTC OIG issued one comment to the OIG which did not alter the CFTC OIG conclusion. There are no outstanding recommendations.

### **Section 5(a)(16) Results of Peer Review Conducted by OIG**

This section requires a list of any peer reviews conducted of another inspector general during the reporting period, including a list of any outstanding recommendations made from any previous peer reviews. As of this reporting period, the Denali Commission OIG has not conducted a peer review, and there are no outstanding recommendations.

### **Sections 5(a)(17) and 5(a)(18): Investigations, Criminal Prosecutions, and Criminal Indictments and Metrics Used to Develop Statistical Data of Investigations, Criminal Prosecutions, and Criminal Indictments**

These sections require a statistical table and a description of the metrics used to develop the data related to (1) the number of investigative reports issued, (2) number of persons referred to the Department of Justice for criminal prosecution, (3) number of persons referred to state and local authorities for criminal prosecution, and (4) number of criminal indictments and criminal information resulting from any prior referrals to prospective authorities. This information is reflected in Table 6 on page 19.

### **Section 5(a)(19): Substantiated Investigations of Senior Government Employees**

This section requires a detailed description of each investigation involving a senior government employee where allegations of misconduct were substantiated, including a detailed description of (1)

the facts and circumstances of the investigations and (2) the status and disposition of the matter—including, if referred to or declined by the Department of Justice, the date of referral or declination. There are no substantiated allegations of misconduct involving a senior government employee.

**Section 5(a)(20): Instances of Whistleblower Retaliation**

This section requires a detailed description of any instance of whistleblower retaliation, including (1) information about the official found to have engaged in retaliation and (2) the consequences the agency imposed to hold the official accountable. There were no instances of whistleblower retaliation.

**Section 5(a)(21): Interference with Inspector General Independence**

This section requires a detailed description of any attempt by the Commission to interfere with the independence of the inspector general, including (1) budget constraints designed to limit OIG capabilities and (2) incidents where the establishment has resisted OIG oversight or delayed OIG access to information, including the justification of the establishment for such action. There were no instances of the Commission attempting to interfere with the independence of the OIG.

**Section 5(a)(22): Closed Inspector General Matters Not Publicly Disclosed**

This section requires a detailed description of the particular circumstances of each (1) inspection, evaluation, and audit conducted by OIG that is closed and was not publicly disclosed and (2) investigation conducted by OIG involving a senior government employee that is closed and was not disclosed to the public. The FISMA audit work was not publicly disclosed. There are no closed investigations involving a senior government employee that were not disclosed to the public.